



UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE
United States Patent and Trademark Office
Address: COMMISSIONER FOR PATENTS
P.O. Box 1450
Alexandria, Virginia 22313-1450
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/630,531	07/30/2003	Daniel R. Morris	037925.0004	9255
7590 Thomas F. Bergert Williams Mullen Suite 700 8270 Greensboro Drive McLean, VA 22102				
02/11/2008				
EXAMINER				
MEYERS, MATTHEW S				
ART UNIT		PAPER NUMBER		
3629				
MAIL DATE		DELIVERY MODE		
02/11/2008		PAPER		

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary

Application No.

10/630,531

Applicant(s)

MORRIS, DANIEL R.

Examiner

Matthew S. Meyers

Art Unit

3629

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --
Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 November 2007.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-16 and 24-28 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-16 and 24-28 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☒ Information Disclosure Statement(s) (PTO/S508)
Paper No(s)/Mail Date _____
- 4) ☐ Interview Summary (PTO-413)
Paper No(s)/Mail Date _____
- 5) ☐ Notice of Informal Patent Application
- 6) ☐ Other: _____

DETAILED ACTION

1. This action is in response to applicant's communication on 11/08/2007, wherein claims 1-16 and 24-28 are pending, with claims 17-23 cancelled.

Claim Rejections - 35 USC § 103

2. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

3. **Claims 1-16 and 24-28** are rejected under 35 U.S.C. 103(a) as being unpatentable over *For mortgages--MERS emerges*, Banker's Research, February 1997 (Hereinafter referred to as MERS) in view of *MERS aids electronic mortgage market*, Mortgage Banking, January 1997 (Hereinafter referred to as MERS II), and further in view of Feinberg et al. (Pub. No.: US 2002/0107703) (Hereinafter referred to as Feinberg).

4. With respect to **Claim 1**:

MERS discloses a computer-assisted method for ordering the tracking of a lien release (MERS, Page 1, "MERS mission in life is to eliminate all but the first registration and the release. All intermediate changes of ownership or servicing will be electronic, registered with MERS, and none will have to be filed unless the buyer or transferee is not a member of MERS."), comprising the steps of:

Providing, by input device, transaction information associated with at least one lien to a computer system for assisting loan settlements, said information including at least a critical date and a lender identification associated with at least one property loan (MERS, Page 1, "MERS will authorize its members to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS.");

determining, by the system, that the at least one lien has not been released and is due for release (MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release."); and

MERS discloses the above limitations, but does not explicitly disclose requesting, by the input device, tracking of a release of said at least one lien by said system to determine whether the at least one lien has been released according to a trigger date determined based on the settlement date. MERS II teaches requesting, by the input device, tracking of a release of said at least one

lien by said system to determine whether the at least one lien has been released according to a trigger date determined based on the settlement date (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

MERS and MERS II disclose all the above limitations. However, Neither MERS or MERS II explicitly disclose sending, by the system, a signal to the input device indicating that the at least one lien has not been released and is due for release. Feinberg teaches wherein "the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services." and "The release is prepared according to guidelines from each jurisdiction previously stored on the database." (Feinberg [0017] and [0016]).

It would have been obvious to one of ordinary skill in the art at the time of the invention to have combined the teachings of MERS and MERS II with Feinberg. All three references relate to lien tracking and their management. Both MERS and MERS II teach about a system which generates an 18digit mortgage identification number (MIN) for every origination. This MIN will stay with a loan throughout its life-even as ownership of the loan and its servicing changes hands. (MERS II, Page 1). The reason for this 18digit mortgage identification number is to prevent cases where the mortgages have been paid off but in which

no one files to release the lien (MERS, Page 2). Additionally, Feinberg teaches a method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset." (Feinberg [abs]). It would have been obvious at the time of the invention to have combined the MERS system with Feinberg in order to facilitate the management of these liens in order to avoid the pitfalls that often occur when the underlying note is bought, sold, transferred, securitized and so forth in accordance with market custom.

5. With respect to **Claim 2:**

Feinberg discloses providing contact information for at least one entity to be notified by said system in the event a release is due for said at least one lien (Feinberg [0011], "The client prepares an electronic data file of information including the patient's identification, patient's insurance information, the liable party's identification and the liable party's insurance information.").

6. With respect to **Claim 3:**

Feinberg discloses storing at least one trigger document in a database, whereby said trigger document is generated upon receipt of said signal (Feinberg [0012], "The server validates the data by comparing it to a set of guidelines, which have previously been stored on the database.").

7. With respect to **Claim 4:**

Feinberg discloses said step of requesting system monitoring is of lien records associated with said plurality of loans for said identified lender, and said at least one entity is said identified lender (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

8. With respect to **Claim 5:**

Feinberg discloses wherein said transaction information is related to a plurality of loans within an identified jurisdiction for a plurality of identified lenders, said step of requesting system monitoring is of lien records associated with said plurality of loans in said identified jurisdiction for said plurality of identified lenders (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

9. With respect to **Claim 6:**

Feinberg discloses wherein said transaction information is related to a plurality of loans within a plurality of identified jurisdictions for a plurality of identified lenders, said step of requesting system monitoring is of lien records associated with said plurality of loans in said plurality of identified jurisdictions for said plurality of identified lenders (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset." and [0012],

"The guidelines set forth the content and format of the information required to properly file a lien in each given jurisdiction. The guidelines are compiled from statutes, regulations, and local practice for each locale.").

10. With respect to **Claim 7:**

Feinberg discloses prompting said at least one entity for further contact information related to a second entity to be notified (Feinberg [0011], "Additional information may be required, such as the type and location of the accident and the patient's attorney, if represented.").

11. With respect to **Claim 8:**

Feinberg discloses requesting at least one trigger document associated with untimely notice of release or satisfaction of a lien (Feinberg [0014], "The patient is notified of the outstanding lien by the notification method specified by jurisdiction, typically by certified U.S. mail.").

12. With respect to **Claim 9:**

Feinberg discloses requesting a status report of at least one lien record (Feinberg [0001], "This invention relates generally to data processing, and more particularly to automatic preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

13. With respect to **Claim 10:**

MERS discloses a system for assisting with loan settlements, comprising:

a first electronic interface for receiving property-related lien transaction information, said information including at least a settlement date and a lender identification associated with at least one property loan, said interface further being capable of receiving a request for electronically tracking a release associated with a lien for said at least one property loan (MERS, Page 1, "MERS will authorize its members to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS.");

a second electronic interface for displaying lien status information corresponding to said lien, said status information including information as to whether said lien has been at released according to a trigger date based on the settlement date (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."); and

an alert mechanism for receiving an electronic signal and notifying at least one entity in the event a release for said at least one lien has not occurred and is one of due or overdue based on statutory requirements associated with said identified lender (MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which

the mortgages have been paid off but in which no one will file to release the lien.

A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release." and MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met.").

14. With respect to **Claim 11**:

Feinberg discloses a database of trigger documents, and wherein at least one trigger document from said database is generated upon receipt of said signal (Feinberg [0012], "The server validates the data by comparing it to a set of guidelines, which have previously been stored on the database.").

15. With respect to **Claim 12**:

Feinberg discloses wherein said transaction information is related to a plurality of loans for an identified lender, said received request is for the tracking of a plurality of releases associated with a plurality of liens for said identified lender, and said at least one entity is said identified lender (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

16. With respect to **Claim 13**:

Feinberg discloses wherein said transaction information is related to a plurality of loans within an identified jurisdiction for a plurality of identified lenders and said received request is for the tracking of a plurality of releases associated with a plurality of liens in said identified jurisdiction for said plurality of identified lenders (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

17. With respect to **Claim 14**:

Feinberg discloses wherein said transaction information is related to a plurality of loans within a plurality of identified jurisdictions for a plurality of identified lenders and said received request is for the tracking of a plurality of releases associated with a plurality of liens in said plurality of identified jurisdictions for said plurality of identified lenders (Feinberg, [abs], "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset." and [0012], "The guidelines set forth the content and format of the information required to properly file a lien in each given jurisdiction. The guidelines are compiled from statutes, regulations, and local practice for each locale.").

18. With respect to **Claim 15**:

Feinberg discloses wherein at least one of said interfaces is adapted to prompt-said at least one entity for further contact information related to a second entity to be

notified (Feinberg [0011], "Additional information may be required, such as the type and location of the accident and the patient's attorney, if represented.").

19. With respect to **Claim 16**:

Feinberg discloses a reporting component for generating a status report of at least one lien record (Feinberg [0001], "This invention relates generally to data processing, and more particularly to automatic preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.").

20. With respect to **Claim 24**:

21. MERS II discloses a method for managing lien releases (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."), comprising the steps of:

- a. providing an electronic interface to electronically stored identification information associated with at least one lien, including lien status information based on note information and lien transaction information associated with the at least one lien, wherein the lien status information can include a status where a note has been paid but a lien not released or a status where a note has been paid and a lien is overdue for release (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.");

- b. electronically receiving a status report associated with said at least one lien including the status that the at least one lien has not been released and is due for release (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met." and "MERS, Page 1, "MERS will authorize its members to act as its agent for filing of title and mortgage deeds. Then participating mortgage lenders will make mortgages in the name of MERS, rather than their own names. With the registration in MERS' name, transfers of servicing or ownership to other MERS members can be made by filing electronically with MERS."); and
- c. initiating, by the electronic interface, a response based on said status lien (MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release.").
22. With respect to **Claim 25**:
23. Feinberg discloses wherein said report includes an indication that said lien has an unreleased status and said response includes the generation of at least one of said electronic documents (Feinberg [0017] and [0016] "the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has

received proper payment for a given patient's services." and "The release is prepared according to guidelines from each jurisdiction previously stored on the database.").

24. With respect to **Claim 26:**

25. Feinberg discloses wherein said at least one of said electronic documents is one of: a demand letter, a legal form (Feinberg [0017] and [0016] "the client transmits an e-mail message to the data processing server via the Internet giving notice that the client has received proper payment for a given patient's services." and "The release is prepared according to guidelines from each jurisdiction previously stored on the database.").

26. With respect to **Claim 27:**

27. MERS II discloses system for managing lien releases (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."), comprising:

- d. a lien management component for receiving and storing lien identification information (MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset.");
- e. an interface for accessing a lien status monitoring system, said lien status monitoring system including a lien searching component having access to lien records for a plurality of lien record-keeping jurisdictions, each of said lien

records including a respective lien holder entry; means for determining a status of at least one lien, including the status that the at least one lien has not been released and is due for release (MERS, Page 2, "Because information on MERS-registered mortgages will be available in one place, and the transfer costs will be less, they should fetch higher prices when sold." and MERS II, Page 5, "A method and system for automating the preparation, recordation, tracking and filing of liens, assignments, and other legal documents relating to securing payment of a debt or other obligation or transfer of ownership of an asset."); and

f. means for providing notice to a lien holder associated with said at least one lien indicating that the at least one lien has not been released and is due for release MERS, Page 1, "One additional benefit will be important to present owners and new borrowers. There are today many properties on which the mortgages have been paid off but in which no one will file to release the lien. A common case is when the mortgage was made by a savings & loan that was taken over by the Resolution Trust Company. The original lender no longer exists, and the RTC often won't file the paper, contending it has no authority to do so. With MERS mortgages. MERS will be able to file the release.").

28. With respect to **Claim 28**:

29. MERS II discloses wherein said means for determining a status includes requesting a search by said lien searching component (MERS II, Page 5, "He notes that all parties will more easily be able to track loans to ensure that contractual obligations are being met.").

Response to Arguments

30. Applicant's arguments with respect to claims 1-16 and 24-28 have been considered but are moot in view of the new ground(s) of rejection.

Conclusion

31. The prior art made of record and not relied upon is considered pertinent to applicant's disclosure. MortgageServ, *Total Mortgage Servicing from fs*, Spring 2001 User Conference.

32. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP § 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew S. Meyers whose telephone number is (571) 272-7943. The examiner can normally be reached on M-F 8:30-5:00.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571) 272-6812. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/Matthew S. Meyers/
Examiner, Art Unit 3629

/John G. Weiss/
Supervisory Patent Examiner, Art Unit 3629